

**UNITED STATES DEPARTMENT OF AGRICULTURE**

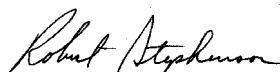
Farm Service Agency  
Washington, DC 20250

**Notice SIP-40**

**For:** KY, NV, and NM State and County Offices, State Foresters, and Service Foresters

**Implementing Supplemental Stewardship Incentive Program (SIP) Funding for Forest Pests**

**Approved by:** Acting Deputy Administrator, Farm Programs



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**1 Overview**

**A**

**Background**

Section 8001 of the Farm Security and Rural Investment Act of 2002 (the Act) repealed the authority for SIP. However, the Act allows USDA to use funds appropriated for FY 2002 until expended. In 2002, funds appropriated by Congress were designated by the U.S. Forest Service for SIP because of forest pest problems that were present in Kentucky, Nevada, and New Mexico.

**B**

**Purpose**

This notice provides:

- instructions on implementing SIP appropriation, to be known as “SIP-Pest funds”
- State and County Offices with administration methods for SIP-Pest funds.

**Note:** This notice supplements policy in 1-SIP and shall be used only for implementing SIP-Pest funds in Kentucky, Nevada, and New Mexico. Unless specifically provided for in this notice, SIP-Pest funds shall be administered according to 1-SIP.

**C**

**Contact**

If there are questions about this notice:

- County Offices shall contact the applicable State Office
- FSA State Offices shall contact Ilka Gray, CEPD, at 202-690-0794
- FS or State Forestry Offices shall contact Regional FS Offices
- Regional FS Offices shall contact Hal Brockman, FS, at 202-205-1694.

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**Disposal Date**

January 1, 2004

**Distribution**

KY, NV, and NM State Offices; State Offices relay to County Offices and State Forestry

## Notice SIP-40

### 2 Eligibility Requirements for SIP-Pest Funds

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#### A

##### Eligible Land

For land to be considered eligible to receive SIP-Pest funds, it must be physically located in a county in 1 of the following States:

- Kentucky
- Nevada
- New Mexico.

Additionally, for land to be considered eligible to receive SIP-Pest funds, it must have a forest pest problem that can be controlled.

**Note:** Land with ownership of up to 1,000 acres is eligible. State Foresters with approval of the Regional Forester may grant waivers of up to 5,000 acres for applications under SIP-Pest funds.

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#### B

##### Eligible Landowners

All landowner eligibility requirements in 1-SIP, paragraphs 97 through 99, shall be met before contract approval.

**Note:** Eligible landowners are limited to \$10,000 for each FY for all SIP payments, including regular SIP, SIP-ICE, SIP-Fire, and SIP-Pest.

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#### C

##### Eligible SIP Practices

All practices receiving cost-shares under the SIP-Pest funds must be used to treat existing or threatening forest pest problems with silvicultural practices.

All SIP practices listed in 1-SIP are eligible under SIP-Pest.

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## Notice SIP-40

### 2 Eligibility Requirements for SIP-Pest Funds (Continued)

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#### D

##### Signup Dates

State Foresters, in consultation with the State FSA Office, shall immediately establish a signup period for SIP-Pest.

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#### E

##### Obligation of Funds

All SIP-Pest funds shall be obligated by December 31, 2002.

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#### F

##### Practice Completion

All SIP-Pest applications must have final performance reported no later than **June 1, 2004.**

**Reminder:** Failure to report final performance of SIP-Pest practices by June 1, 2004, will result in cancellation of the application(s).

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#### G

##### Starting a Practice Before Approval

Because of the nature of the damage inflicted from the pests, landowners have requested to be approved to begin practice implementation. Landowners shall be notified that starting a practice before receiving an approval letter from the County FSA Office is at the landowner's own risk, and that SIP payments are not guaranteed before approval.

Landowners shall be advised that an approved conservation practice may be started after an AD-245 application is submitted to the Service Forester or local County FSA Office. Landowners should be informed that they may be ineligible to receive payments if the contract is not approved, practice does not meet specifications, or if the requested practice is not included in the approved stewardship plan or plan revision.

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#### H

##### Handling Appeals

Appeals shall be handled by the State Forester according to established procedure.

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## Notice SIP-40

### 3 CRES Software Modifications for Implementing SIP-Pest Funds

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#### A

##### New SIP Fund Code

SIP-Pest funds must be accounted for separately from all other SIP appropriated funds through a separate ledger. Therefore, fund code 22, SIP-Pest, was established to provide a separate ledger.

**Note:** The regular SIP appropriated fund code is 00.

KY, NV, and NM State FSA Offices will receive SIP-357's with their SIP-Pest allocations.

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#### B

##### Software Availability

The CRES software has been modified to include fund code 22. Fund code 22 was included in County Release No. 476.

**Note:** County Offices must ensure that SIP-Pest fund code 22 is entered on AD-245 when recording an application. See 1-CONSV, subparagraph 105 F.

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### 4 Contracts

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#### A

##### Approving Contracts

Applications for SIP-Pest funds may be approved by the Service Forester when **all** of the following conditions are met:

- SIP-Pest allocation has been received in the County Office
- this notice has been received by the County Office and the Service Forester
- landowner has been made aware that starting a practice before approval is at the landowner's own risk.

**Note:** County Offices shall mail an approval, deferral, or disapproval letter to the landowner, as applicable, according to 1-SIP, Exhibit 8, 9, or 11 as soon as possible after Service Forester determination.

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## Notice SIP-40

### 5 Payments

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#### A

##### Contract Payments

Payments earned under SIP-Pest are subject to the same provisions as SIP fund code 00 funding, including setoff and assignments, prompt payment provisions, and maximum payment limitations provisions.

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### 6 Action

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#### A

##### State Office Action

State Offices shall:

- immediately provide a copy of this notice to their County Offices and FS State Offices or applicable State Forestry Offices
  - when allocation is received, immediately allocate funds to applicable County Offices.
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#### B

##### County Office Action

County Offices shall:

- immediately inform Service Forester when funding is received in the County Office
  - update SIP fund code 22 eligibility status to “Y” on the County Eligibility Table according to 1-CONSV, paragraph 19.
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#### C

##### State Forester Action

State Foresters shall establish a signup period in consultation with the State FSA Office.

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#### D

##### Service Forester Action

Service Foresters shall begin preparation for signup.

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